

## Farm Service Agency, USDA

## § 741.25

property therein having a value in excess of all exemptions and encumbrances, to the extent of double the amount of the bond.

### § 741.19 Approval of form of receipt.

No receipt shall be issued by a licensed warehouseman except it be (a) in form prescribed by the Administrator; (b) upon distinctive paper specified by him; (c) printed by a printer with whom the United States has a subsisting contract and bond for such printing; and (d) on paper manufactured by and procured from a manufacturer with whom the United States has a subsisting contract and bond for the manufacture of such paper.

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[4 FR 4834, Dec. 13, 1939, as amended at 47 FR 745, Jan. 7, 1982. Redesignated at 50 FR 1814, Jan. 14, 1985]

### § 741.20 Partial delivery of sirup.

If a warehouseman delivers a part only of a lot of sirup for which he has issued a negotiable receipt under the act, he shall take up and cancel such receipt and issue a new receipt in accordance with this part for the undelivered portion of the sirup. The new receipt shall show the date of issuance and also indicate the number and date of the old receipt.

### § 741.21 Return of receipt before delivery of sirup.

Except as permitted by law or by this part, a warehouseman shall not deliver sirup for which he was issued a negotiable receipt until the receipt has been returned to him and canceled, and shall not deliver sirup for which he has issued a nonnegotiable receipt until such receipt has been returned to him or he has obtained from the person lawfully entitled to such delivery, or his authorized agent, a written order therefor.

### § 741.22 Signatures of persons authorized to direct delivery to be filed with warehouseman.

Each person to whom a nonnegotiable receipt is issued shall furnish the warehouseman with a statement in writing indicating the person or persons having power to authorize deliv-

ery of sirup covered by such receipt, together with the bona fide signature of such person or persons. No licensed warehouseman shall honor an order for the release of sirup covered by a nonnegotiable receipt until he has first ascertained that the person issuing the order has authority to order such release and that the signature of the releasing party is genuine: *Provided*, That if the holder of such nonnegotiable receipt agrees in writing to hold blameless both the warehouseman and bondsman for any loss that might result from improper delivery through receipt of an unauthorized telegram, deliveries may be made on receipt of telegraphic orders to be followed immediately with usual confirmation order.

### § 741.23 Omission of grade; no compulsion by warehouseman.

No warehouseman shall, directly or indirectly, by any means whatsoever, compel or attempt to compel the depositor of any sirup stored in his licensed warehouse to request the issuance of a receipt omitting the statement of grade.

#### DUTIES OF LICENSED WAREHOUSEMAN

### § 741.24 Sirup must be inspected.

(a) No warehouseman shall accept sirup for storage until it has been inspected and approved by a licensed inspector.

(b) All sirup, the identity of which is not to be preserved, or has not been preserved, shall be accepted for and delivered out of storage only on the basis of grades and weights or quantities determined by licensed inspectors and weighers.

### § 741.25 Insurance requirements.

(a) Each warehouseman, when so requested in writing by the depositor or the lawful holder of the receipt for any sirup, shall, to the extent to which, in the exercise of due diligence, he is able to procure such insurance, keep such sirup while in his custody fully insured in his own name against loss or damage by fire, lightning, or tornado. When insurance is not carried in the warehouseman's name, the receipts shall show that the sirup is not insured

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by him. Such insurance shall be covered by lawful policies issued by one or more insurance companies authorized to do such business in the State where the warehouse is located. If the warehouseman is unable to procure such insurance, he shall, orally, or by telegraph or by telephone and at his own expense, immediately notify the person making the request. Nothing in this section shall be construed to prevent a warehouseman from adopting a rule that he will insure all sirup.

(b) Each warehouseman shall keep exposed conspicuously in the place prescribed by § 741.6, and at such other place as the Administrator, or his representative may from time to time designate, a notice stating briefly the conditions under which sirup will be insured against loss or damage by fire, lightning, or tornado.

(c) Each warehouseman shall take promptly such steps as may be necessary and proper to collect any moneys which may become due under contracts of insurance entered into by him for the purpose of meeting the requirements of this part, and shall, as soon as collected, pay promptly to the persons concerned any portion of such moneys which they may be entitled to receive from him.

#### § 741.26 Premiums; inspections; reports.

Each warehouseman shall, in accordance with his contracts with insurance and bonding companies for the purpose of meeting the insurance and bonding requirements of this part, pay such premiums, permit such reasonable inspections and examinations, and make such reasonable reports as may be provided for in such contracts.

#### § 741.27 Care of sirup in storage.

Each warehouseman shall at all times exercise such care in regard to sirup in his custody as a reasonably careful owner would exercise under the same circumstances and conditions. If sirup is stored under refrigeration a temperature not in excess of 38° Fahrenheit shall be maintained at all times in the licensed rooms or compartments and temperature records or charts showing correct temperature readings made at least four times daily shall be

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kept. Such records or charts shall be in such form as the Service may approve.

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#### § 741.28 Care of nonlicensed sirup or other commodities.

If at any time a warehouseman shall handle sirup other than for storage, or shall handle or store any other commodity, he shall so protect the same and otherwise exercise such care with respect to it as not to endanger the sirup in his custody as a warehouseman or impair his ability to meet his obligations and perform his duties under the Act and this part. If the warehouseman shall store commodities other than those for which he is licensed, a nonlicensed receipt shall be issued, which shall contain in its terms a provision that said commodities are accepted for storage only until such time as the space which they may occupy may be needed for products for the storage of which the warehouseman is licensed. Under no circumstances shall any commodities for the storage of which the warehouseman is not licensed be stored if the storage of such commodities might adversely affect the commercial value of, or impair the insurance on sirup covered by licensed receipts.

#### § 741.29 Records to be kept in safe places.

Each warehouseman shall provide a metal fireproof safe, a fireproof vault, or a fireproof compartment in which he shall keep, when not in actual use, all records, books, and papers pertaining to the warehouse, including his current receipt books, copies of receipts issued, and canceled receipts, except that with the written consent of the Administrator, or his representative, upon a showing by such warehouseman that it is not practicable to provide such fireproof safe, vault, or compartment, he may keep such records, books, and papers in some other place of safety, approved by the Administrator or his representative. Each canceled receipt shall be retained by the warehouseman for a period of six years after December